

## PART 2006 - MANAGEMENT

## Subpart L - Position Management System

## TABLE OF CONTENTS

<u>Section.</u>	<u>Page</u>
§2006.551 General.	1
§2006.552 Objectives and administration.	1
§2006.553 (Reserved)	2
§2006.554 Elements of the Position Management System.	2
(a) Assignment of responsibility and accountability.	2
(b) Utilization of total staff resources.	4
(c) Controls on the position management program.	4
(d) Formal training agreements.	4
§2006.555 Processes for position management improvement.	4
(a) Consideration of alternative structures.	5
(b) Analysis of vacant positions.	5
(c) Use of average grade.	5
(d) Use of ratios.	5
(d) Periodic review of all filled and vacant positions.	6
§2006.556 Position Management evaluation.	6
§2006.557-2006.600 (Reserved)	7

PART 2006 - MANAGEMENT

Subpart L - Position Management System

§2006.551 General.

(a) Position management is the use made of positions in performing an organization's mission. The fundamental objective of this management activity is to utilize positions in such a way as to achieve an optimum blend among the competing forces of skills availability, position ceilings, fund limitations, good human resource utilization, efficiency and economy, mission requirements and matters of public policy. The components of this process typically include:

- (1) Position design,
- (2) Position classification,
- (3) Organizational structuring,
- (4) Allocation of positions among organizational segments,
- (5) Staffing controls,
- (6) Promotion controls,
- (7) Salary or budget controls.

(b) Within the actual and imposed limitations, good position management will result in the best possible use of positions, and thereby maximize productivity, efficiency and economy, attraction and retention of better employees, employee job satisfaction, and management proficiency. OMB Circular No. A-64 (Revised) is the basic directive governing the Position Management Program for the Federal Government and is reinforced by Federal Personnel Manual Chapter 312. Departmental Personnel Manual Chapter 312 emphasizes the objectives and monetary aspects of the Position Management Program within the Department of Agriculture.

§2006.552 Objectives and administration.

The Farmers Home Administration (FmHA) Position Management System is designed to improve the design and structuring of positions and the utilization of its staff resources through systematic planning, analysis, and evaluation of existing and proposed positions and structures.

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Administration  
Management

(a) The main objectives of the Position Management System include:

- (1) As few organizational levels and positions as possible, consistent with the need for effective execution of assigned programs.
- (2) The largest ratio possible of supervisory to nonsupervisory personnel consistent with effective control.
- (3) Optimum use of available staff resources.
- (4) A minimum total cost for all positions.
- (5) Utilization of the most effective work processes, procedures, methods, and techniques.

(b) The administration of the Position Management System will include:

- (1) The Agency as a whole and each of its independent organizational segments must assign position management "system" responsibilities to a key official with ready access to the head of the organization. These officials assume day-to-day responsibility for the program; however, final accountability rests with the Agency Administrator.
- (2) Program responsibilities include developing and administering the system, coordinating staff work, assuring that line management receives necessary assistance, reviewing position management aspects of proposed line management actions, and referring to the Agency head unsound actions which should be corrected.

§2006.553 (Reserved)

§2006.554 Elements of the Position Management System.

(a) Assignment of responsibility and accountability. Each supervisor in FmHA has responsibility, under assignment from the Administrator, for observing established principles and practices and participating in the effective execution of the Agency position management system. State Directors have primary responsibility for planning, implementing, and controlling position management system operations within their respective State jurisdictions. National Office Division Directors, and the Assistant Administrator, Finance Office, carry this responsibility for their respective organizational units. The key policy officials of the Administrator's

§2006.554 (Con.)

staff give expert advice and leadership to the administration of the agencywide program, including making final evaluations of recommendations from managers and supervisors submitted for the Administrator's approval. Individual accountability of managers and supervisors should be ensured through the performance appraisal process.

(1) Designation of a Position Management Officer. The Deputy Administrator for Management is designated by the Administrator as the Position Management Officer (PMO). In accordance with the intent of 3.a.(2) (a) of Office of Management and Budget Circular A-64, this position should be outside the Personnel Division and filled with an individual with ready access to the head of the organization. The Deputy Administrator for Management has ready access to the Administrator and is responsible for the staff resources which need to be coordinated.

(2) Establishment of review boards. In accordance with DPM Chapter 312, Position Management Committees are established in the National Office, the Finance Office, and each State Office.

(i) The National Office Position Management Committee, known as the Employment Review Board (ERB) is chaired by the Associate Administrator. The Deputy Administrator Program Operations, the Deputy Administrator for Management, and others as designated by the Administrator or Associate Administrator serve as members. The Director, Personnel Division, acts as Executive Secretary.

(ii) A State Position Management Committee includes a Program Chief or District Director, the Administrative Officer, the Personnel Management Specialist (if assigned in the State). and others as designated by the State Director.

(iii) The Finance Office Position Management Committee consists of the Deputy Director, the Administrative Officer, the Personnel Officer, and others designated by the Assistant Administrator, Finance Office.

(3) Development of Position Management action plans. Each major National Office organizational entity (i.e., organizations reporting to a Deputy Administrator) and State Office must develop an action plan. The plan should establish position management goals (e.g., organizational segments or individual positions to be evaluated by the review board) and identify timeframes, responsible officials, and monitoring and evaluation procedures.

(b) Utilization of total staff resources. In fulfilling their position management responsibilities, managers and supervisors should use personnel, organization and management, budget, administrative services, and other special staff expertise.

(c) Controls on the position management program. Control systems are an essential part of the position management program to identify, control, and eliminate unnecessary organizations, fragmentation, excessive layering, unwarranted use of deputies and assistants, improper job design, misassignments, outmoded work methods, and improper distribution of resources.

(1) Each proposed change of existing structure must be reviewed with consideration of work design, occupational and grade distributions, and staff requirements.

(2) Before any vacant position is filled, a review will be made by the supervisor to determine whether the grade, series, and title of the position are fully supportable and whether the duties can be eliminated, assigned to other positions, or modified to permit performance at a lower level.

(3) A periodic review should be conducted by managers and supervisors to identify position management problem areas and to request assistance from appropriate staff members with their position management program.

(d) Formal training agreements. Proposed training agreements and plans that provide movement to higher grade positions should be reviewed to assure the positions involved are necessary and the agreement/plan will promote efficiency and economy in an office. This review is to make certain that the training will, or can be predicted to, equip the candidate for promotion to perform the higher level work.

§2006.555 Processes for position management improvement.

The effective administration of a sound position structure requires continuing participation and emphasis on the part of managers and supervisors. There are four primary elements of the system which are basic to position management considerations.

§2006.555 (Con.)

(a) Consideration of alternative structures. When establishing new or modifying existing position structures, both recommending and approving officials should consider alternative structures. Determination should be made as to which of the alternatives most nearly meets agency needs and will be most productive in the accomplishment of Agency program objectives. (Revised 08-20-97, PN 280.)

(b) Analysis of vacant positions. When a position is vacated, the supervisor, in conjunction with the appropriate personnel staff member, must evaluate the need for the position and determine whether it may be utilized differently, abolished, or continued. (Revised 08-20-97, PN 280.)

(c) Use of average grade. Managers and supervisors should normally seek to lower rather than increase average grades in their efforts to improve position structures. Position structure proposals must be predicated upon grades which can be fully supported in terms of work requirements. Average grades should be kept in line with the average level of tasks performed and should reflect normal performance of these tasks.

(d) Use of ratios. Managers and supervisors should consider using the following ratios as indicators of their position needs:

- (1) Supervisory positions to nonsupervisory positions;
- (2) Full performance level positions to trainee or entry level positions;
- (3) Positions above the full performance level as a percentage of all positions;
- (4) Professional positions to nonprofessional positions;
- (5) Professional and technical positions (combined) to support positions (clerical);
- (6) Administrative overhead costs to line program operation costs.

(e) Periodic review of all filled and vacant positions. Position management reviews will be conducted simultaneously and coordinated with the annual position classification maintenance review. (See RD Instruction 2048-E and DPM Chapter 511.)

§2006.556 Position Management Evaluation.

Periodic assessment of the effectiveness of the position management system should be made by Rural Development as directed by OMB Circular No. A-64. Assessment will also be made by the Office of Management and Budget as part of its continuing evaluation of agency programs and by the Office of Personnel Management in its evaluation of personnel management. Review in Rural Development will be conducted, at least annually, by the Deputy Director of Personnel, assisted by the Personnel Management Evaluation Section and appropriate technical personnelists to assure a sound and efficient position organization structure agencywide. Evaluation of program effectiveness should include checking to ensure that the following are characteristic of the system:

- (a) An effective position management program is related to the organization mission.
- (b) Authorities, responsibilities, and accountability for position management are determined and communicated throughout the organization.
- (c) Integration is achieved of the following elements into the management decision making process:
  - (1) Clear delineation of functions within and among positions and within and among organizational units.
  - (2) Alignment of the organization consistent with current mission and manpower.
  - (3) Allocation of positions consistent with an approved staffing pattern.
  - (4) Establishment of career ladders.
  - (5) Design of positions consistent with the kinds and levels of work in the organization.
  - (6) Clear certification of the need for positions.

§2006.556 (Con.)

(7) Establishment of supervisory positions based on principles of economy and efficiency.

(8) Clear certification of the need for Deputy, Special Assistant, Assistant to, and Assistant positions and the propriety of their grade levels.

(9) Full utilization of developmental and trainee work situations.

(d) The position authorization system includes the annual development and approval of an organization staffing plan as a part of the program budget approval process.

(e) Budget, management analysis, and personnel staffs are involved in systematically reviewing personnel actions with organizational implications and organization changes.

(f) Regular, planned position management evaluation of organizational and position alignment in terms of current mission and staffpower does result in presentation of specific findings and recommendations to responsible levels of management. Corrective actions are taken where needed, and systems updated.

§2006.557-2006.600 (Reserved)

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